SUBCOMMITTEE:

| 1 | HOUSE JOINT RESOLUTION NO. 526 |
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| 2 | AMENDMENT IN THE NATURE OF A SUBSTITUTE |
| 3 | (Proposed by the House Committee on Rules |
| 4 | on January 22, 2021) |
| 5 | (Patron Prior to SubstituteDelegate Bulova) |
| 6 | Establishing a joint subcommittee to study comprehensive campaign finance reform. Report. |
| 7 | WHEREAS, total candidate expenditures in 20 House Districts and 10 Senate Districts neared or |
| 8 | exceeded \$1 million in 2019, with five such races nearing or exceeding \$4 million; and |
| 9 | WHEREAS, the total spending by candidates in the 2017 race for Governor climbed past the \$65 |
| 10 | million mark; and |
| 11 | WHEREAS, spiraling campaign costs force officeholders and candidates to focus time and efforts |
| 12 | on fundraising rather than governing; and |
| 13 | WHEREAS, pressures exerted by expensive campaigns make larger contributions and their donors |
| 14 | more important; and |
| 15 | WHEREAS, these pressures test the integrity of the candidates who ask for money and the donors |
| 16 | who respond; and |
| 17 | WHEREAS, the Commonwealth has relied on disclosure by candidates and political committees |
| 18 | to keep the process free from corruption; and |
| 19 | WHEREAS, the Commonwealth has declined to impose limits on campaign contributions or to |
| 20 | audit or examine campaign disclosure reports for compliance; and |
| 21 | WHEREAS, during the 2020 election voters in four states demonstrated the public's appetite for |
| 22 | campaign finance reform by approving referenda implementing campaign finance policies that control the |
| 23 | flow of money into politics, including imposing or lowering political contribution limits, publicly |
| 24 | financing campaigns, and requiring more detailed financial disclosure for donors and committees they |
| 25 | contribute to; and |

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WHEREAS, more than 20 years ago, in Nixon v. Shrink Missouri Government PAC, 528 U.S. 377 (2000), the Supreme Court of the United States upheld Missouri's law limiting contributions to statewide candidates to \$1,075, clearing the way for states and localities to enact reasonable contribution limits so long as such limits do not prevent a candidate from amassing sufficient funds for effective advocacy; and

WHEREAS, the increasing costs of political campaigns and anticipated campaign finance experiments in other states all combine to justify a study of the campaign finance laws in the Commonwealth; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to study comprehensive campaign finance reform. The joint subcommittee shall have a total membership of 14 members that shall consist of 10 legislative members and four nonlegislative citizen members. Members shall be appointed as follows: six members of the House of Delegates, one of whom shall be the chair of the House Committee on Privileges and Elections and five of whom shall be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; four members of the Senate, one of whom shall be the chair of the Senate Committee on Privileges and Elections and three of whom shall be appointed by the Senate Committee on Rules; two nonlegislative citizen members to be appointed by the Speaker of the House of Delegates; one nonlegislative citizen member to be appointed by the Senate Committee on Rules; and one nonlegislative citizen member to be appointed by the Governor. Nonlegislative citizen members of the joint subcommittee shall be citizens of the Commonwealth of Virginia. Unless otherwise approved in writing by the chairman of the joint subcommittee and the respective Clerk, nonlegislative citizen members shall only be reimbursed for travel originating and ending within the Commonwealth of Virginia for the purpose of attending meetings. If a companion joint resolution of the other chamber is agreed to, written authorization of both Clerks shall be required. The joint subcommittee shall elect a chairman and vice-chairman from among its membership, who shall be members of the General Assembly.

In conducting its study, the joint subcommittee shall examine the costs of campaigning in the Commonwealth, the effectiveness of the Commonwealth's present disclosure laws and their enforcement,

the constitutional options available to regulate campaign finances, and the desirability of specific revisions in the Commonwealth's laws, including the implementation of contribution limits, all with the aim of promoting the integrity of, and public confidence in, the Commonwealth's campaign finance system.

Administrative staff support shall be provided by the Office of the Clerk of the House of Delegates. Legal, research, policy analysis, and other services as requested by the joint subcommittee shall be provided by the Division of Legislative Services. Technical assistance shall be provided by the Department of Elections. All agencies of the Commonwealth shall provide assistance to the joint subcommittee for this study, upon request.

The joint subcommittee shall be limited to four meetings for the 2021 interim, and the direct costs of this study shall not exceed \$22,400 without approval as set out in this resolution. Approval for unbudgeted nonmember-related expenses shall require the written authorization of the chairman of the joint subcommittee and the respective Clerk. If a companion joint resolution of the other chamber is agreed to, written authorization of both Clerks shall be required.

No recommendation of the joint subcommittee shall be adopted if a majority of the House members or a majority of the Senate members appointed to the joint subcommittee (i) vote against the recommendation and (ii) vote for the recommendation to fail notwithstanding the majority vote of the joint subcommittee.

The joint subcommittee shall complete its meetings by October 1, 2021, and the chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than November 1, 2021. The executive summary shall state whether the joint subcommittee intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and the report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may approve or disapprove expenditures for this study, extend or delay the period for the conduct of the study, or authorize additional meetings during the 2021 interim.

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